

## The complaint

Mr F's complaint is about a claim he made on his The Baxendale Company dac ('Baxendale') international transit insurance policy.

Mr F feels that Baxendale treated him unfairly.

## What happened

Mr F took out an international transit policy to cover his possessions during a family move to Australia. When the items arrived six months after the packers removed them from the UK, they were damaged, in unsuitable packaging and in boxes that had disintegrated. Mr F says many of the fabric items were obviously mouldy or smelt of mould.

Mr F complained to the packers and made a claim on his Baxendale policy for the damaged items amounting to around £2,500. Baxendale initially rejected Mr F's claim because it was made around a month after discovering the mouldy items and the policy stipulated that claims should be reported within seven days of receiving them. Mr F complained about this, in response to which Baxendale agreed to consider the claim further.

After reviewing the photographs Mr F had supplied, Baxendale said they weren't prepared to cover the mould damaged items because the policy did not provide cover for this as Mr F had not purchased an additional extension in relation to this. They also said they'd offer around £500 in respect of Mr F's claim but this was not communicated to Mr F directly, so he was unaware of the offer when it was made. The offer was made on the basis that Mr F had to agree not to bring a claim against the packers.

Mr F is unhappy with the time it has taken Baxendale to deal with his claim and the position they have taken in respect of it.

Our investigator considered Mr F's complaint. He said the offer Baxendale had made was reasonable but should not be contingent on Mr F agreeing not to bring a claim against the packers. He also said Baxendale should pay Mr F £100 in compensation for sending the offer to settle the dispute in late 2024 rather than when it was made and pay interest on the sum offered at 8% per year simple from 3 December 2024 until it is paid.

Neither party have agreed so the matter was passed to me to determine.

I issued a provisional decision in which I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so, I uphold Mr F's complaint against Baxendale for different reasons and with different redress to that set out by the investigator. Before I explain why, I wish to acknowledge the volume of submissions made by Mr F. Whilst I've read everything he's said, I won't be addressing it all. That's not intended to be disrespectful. Rather it's representative of the informal nature of the Financial Ombudsman Service. Instead, I'll focus*

on the crux of his complaint, namely whether Baxendale did something wrong here and need to do more to put things right.

*In this decision I will not be addressing any matters that relate to the sale of the policy. That's because Baxendale, as the insurer, is not responsible for that. If Mr F wishes to pursue a complaint about the way in which the policy was presented to him then he would need to raise that with the seller of the policy directly. My decision will focus on the claim Mr F has made and Baxendale's actions in response to it.*

*The starting point is the policy terms. It's true that they require claims to be reported within seven days of a policyholder receiving their items. But our approach is that an insurer is not entitled to rely on such a condition where there is no prejudice to them in accepting a claim. In this case Mr F made his claim within about a month of his items arriving. I can see that was because he tried to address the matter with the packers directly before contacting Baxendale, so I can understand why he might not have made his claim within the seven days set down by the policy. When the packers didn't resolve the matter, Mr F sought assistance from Baxendale.*

*It took Baxendale around two months to reject Mr F's claim based on the seven-day exclusion which I don't think was reasonable, particularly given their requirement for the claim to be reported within seven days. After Mr F challenged this Baxendale, they agreed to consider it. This was around four months after the claim was initially made.*

*Having accepted the claim, I would have expected Baxendale to consider it thoroughly, but I'm not satisfied this was the case. When Mr F took out the policy, there was an option to purchase mould and mildew cover. I understand that Mr F did not purchase this and as such a claim for general mould and mildew is not covered. However, the policy does cover mould and mildew if it develops as a result of water (sea or rain) wetting the consignment during the course of transit or storage. It excludes claims for mould and mildew that are caused as a result of changes in atmospheric conditions.*

*In this case Mr F says his items were poorly packed in unsuitable packaging. When they arrived some six months after removal, they were damaged and fabric items were mouldy or smelled of mould. He says he can't be sure how the mould occurred and that he has done his best to evidence the problems by way of photographs, but those photographs aren't capable of accurately showing what was wrong with the items or precisely how the problems were caused to them. I can understand this. Having established that he had a claim capable of cover, I think the onus was on Baxendale to properly review the items and make enquiries about how and why the damage occurred. I haven't for example seen any enquiries made by Baxendale with the packers to establish where the items were kept during the six months they were removed from Mr F, what conditions they were kept in or how the damage might have occurred. Equally I can't see that Baxendale appointed a loss adjuster to review the items after they accepted the claim, although by this point, the items would have been in Mr F's possession for five months. Given the volume of the items and the nature of the damage to them, I can quite understand Mr F's desire to remove them from his home.*

*Had matters unfolded as they should in this claim, I would have expected Baxendale to respond reasonably and promptly to the claim made by Mr F in May 2025. If they'd done so I would have expected the claim to be accepted out of time on the basis that there was no prejudice to Baxendale in doing so. A loss adjuster should then have been appointed in Australia to physically review the items with a view to helping determine the cause of the damage in each case and create a proper evidential inventory accordingly. Given the volume of the items, I don't think it was reasonable to keep pressing Mr F for further photographs when mould is not something that is easily visible and he had already done a considerable amount of work to establish that he had a claim capable of cover. Equally Baxendale should*

*have made proper enquiries with the packers to help establish the cause of the damage to all of Mr F's items. In the absence of that and given the passage of time, I think Mr F has lost the opportunity to now have his claim properly assessed, which is something I consider was missing from Baxendale's consideration of matters. For this reason, I think his claim was prejudiced and therefore that Baxendale should pay it accordingly.*

*I turn now to the way in which Baxendale handled Mr F's claim. It's clear to me that the time it took for Baxendale to deal with it was far too long and not responsive enough given Mr F was living with damaged items and some covered in mould in his home. The initial position Baxendale took in declining the claim for being reported out of time was two months. By the time they provided any meaningful response to Mr F by agreeing to consider the claim it was five months after he was living with mouldy and damaged items. Mr F complained about how his claim had been handled to a senior person at Baxendale. But instead of considering matters properly, he seemed to pass information to and from the claims handler, which I can't see resulted in matters being dealt with particularly efficiently. Indeed, an offer had been made to Mr F to settle the claim in December 2024, but this wasn't communicated to him by the claims team. Rather it was sent to the senior person at Baxendale and sat with him for ten days. When the offer eventually came through, it was contingent on Mr F agreeing not to make any claims against the packers. I think this was entirely inappropriate. Whatever Baxendale's relationship was the packers, they were the insurer of the policy and had a duty to properly and fairly consider Mr F's claim. They determined that part of it was payable so that element should have been paid to Mr F promptly. Rather Baxendale sought to prevent him from making a claim against the packers and made the payment of his claim contingent on this. Mr F was and remains entirely entitled to bring a claim against the packers, given the damage to his belongings. Baxendale cannot prevent him from doing so and are not entitled to make the payment of a claim depending on such action.*

*Baxendale's actions have in my judgment caused Mr F unnecessary stress and inconvenience in dealing with his claim in the way that they have, whilst he was living with a considerable number of items that were damaged and mouldy for many months. I've set out what I think is fair compensation for this below.*

### **Putting things right**

*Baxendale should:*

- *Pay Mr F's claim as put to them without deduction.*
- *Pay him interest at 8% per year simple on this sum from the date his made his claim until he is reimbursed.*
- *Pay Mr F £250 in compensation for the stress and inconvenience caused to him as a result of the way in which they handled his claim."*

I asked both parties to provide me with any further comments or evidence for me to consider in response to my provisional findings. Both parties have now responded. Baxendale has said it has nothing further to add to its original submissions. Mr F has said that it accepts my provisional findings but feels that the compensation I have awarded him is low and does little to dissuade Baxendale from treating other customers unfairly. He's also pointed out a mistake in my provisional findings when I reference May 2025, which he says should be May 2024.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I remain of the view that Mr F's complaint should be upheld in the same way and for the same reasons set out within my provisional findings.

I acknowledge Mr F's reference to a typographical error in paragraph 8 of my provisional findings and agree the year should be 2024.

I also understand Mr F's frustration with the way in which his claim was handled and the fact that he felt compelled to complain to this Service to have his claim met. Our compensation scales are modest and the amount I have awarded is reflective of awards we'd make in similar circumstances. It's not our role to punish businesses. That's a matter for their regulator. Our role is to determine whether a business has done something wrong in each individual case and if so, direct them to put things right. That's what I have done in Mr F's complaint.

In the absence of any further submissions by either party that makes me think my provisional findings were wrong, I uphold Mr F's complaint and direct Baxendale to put things right as I have set out below.

### **Putting things right**

Baxendale should pay:

- Mr F's claim as put to them without deduction.
- Mr F interest at 8% per year simple on this sum from the date his made his claim until he is reimbursed.
- Mr F £250 in compensation for the stress and inconvenience caused to him as a result of the way in which they handled his claim.

### **My final decision**

I uphold Mr F's complaint against The Baxendale Company dac and direct them to put things right in accordance with the direction I have made in this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 28 November 2025.

Lale Hussein-Venn  
**Ombudsman**